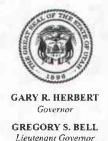
MSK: 5106



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2012

Ron Smith Ash Grove Cement Company P.O. Box 38069 Leamington, Utah 84538-0069

Subject: Approval of Surety Calculations, Ash Grove Cement Company, County Canyon Mine,

M/023/0024, Juab County, Utah

Dear Mr. Smith:

The Division of Oil, Gas and Mining accepts the surety calculations for the County Canyon mine received October 1, 2012. These calculations are based on 17.36 acres of disturbance. The Division appreciates your cooperation in providing these calculations.

As shown in the calculations, the reclamation surety now needs to be increased to \$166,000.00. The additional amount may be submitted in the form of a rider for the current surety bond, or you may submit cash, a certificate of deposit, a letter of credit, or another surety bond for either the increased or the entire amount. The current reclamation surety is in the form of a surety bond with Travelers Casualty and Surety Company. Please provide this increased surety by December 7, 2012.

As mentioned in my letter of June 27, 2012 the permitted area is not well defined in the Notice of Intention (NOI). The NOI appears to consist of an original document from 1993 and addendums or revisions from 1996 and 1997. These documents do not fit together, and the acreage information is inconsistent though your cover letter received with the current submittal is clear.

The Division asks that you provide a map clearly showing the 17.36-acre disturbed area. If at any time in the future you decide to modify the NOI, please provide a complete submittal that consolidates all information that has been provided in the past. Please provide the new map by December 7, 2012.



Page 2 of 2 Ron Smith M/023/0024 November 1, 2012

If you have any questions in this regard, please contact me Wayne Western at 801 538-5263 or me at 801-538-5261. Questions about submitting the increased surety should be directed to Penny Berry at 801-538-5291. Thank you once again for your cooperation in completing this permitting action.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: whw: eb